

108TH CONGRESS  
1ST SESSION

# S. 301

To amend the Internal Revenue Code of 1986 to provide that reimbursements for costs of using passenger automobiles for charitable and other organizations are excluded from gross income, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

FEBRUARY 5, 2003

Mr. FEINGOLD introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to provide that reimbursements for costs of using passenger automobiles for charitable and other organizations are excluded from gross income, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. MILEAGE REIMBURSEMENTS TO CHARITABLE**  
4                               **VOLUNTEERS EXCLUDED FROM GROSS IN-**  
5                               **COME.**

6       (a) IN GENERAL.—Part III of subchapter B of chap-  
7       ter 1 of the Internal Revenue Code of 1986 is amended  
8       by inserting after section 139 the following new section:

1 **“SEC. 139A. MILEAGE REIMBURSEMENTS TO CHARITABLE**  
 2 **VOLUNTEERS.**

3 “(a) IN GENERAL.—Gross income of an individual  
 4 does not include amounts received, from an organization  
 5 described in section 170(c), as reimbursement of operating  
 6 expenses with respect to use of a passenger automobile  
 7 for the benefit of such organization. The preceding sen-  
 8 tence shall apply only to the extent that such reimburse-  
 9 ment would be deductible under this chapter if section  
 10 274(d) were applied—

11 “(1) by using the standard business mileage  
 12 rate established under such section, and

13 “(2) as if the individual were an employee of an  
 14 organization not described in section 170(c).

15 “(b) NO DOUBLE BENEFIT.—Subsection (a) shall  
 16 not apply with respect to any expenses if the individual  
 17 claims a deduction or credit for such expenses under any  
 18 other provision of this title.

19 “(c) EXEMPTION FROM REPORTING REQUIRE-  
 20 MENTS.—Section 6041 shall not apply with respect to re-  
 21 imbursements excluded from income under subsection  
 22 (a).”

23 (b) CLERICAL AMENDMENT.—The table of sections  
 24 for part III of subchapter B of chapter 1 of such Code  
 25 is amended by inserting after the item relating to section  
 26 139 and inserting the following new item:

“Sec. 139A. Reimbursement for use of passenger automobile for charity.”.

1 (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to taxable years beginning after  
3 the date of the enactment of this Act.

4 **SEC. 2. PENALTY ON FAILURE TO REPORT INTERESTS IN**  
5 **FOREIGN FINANCIAL ACCOUNTS.**

6 (a) IN GENERAL.—Section 5321(a)(5) of title 31,  
7 United States Code, is amended to read as follows:

8 “(5) FOREIGN FINANCIAL AGENCY TRANS-  
9 ACTION VIOLATION.—

10 “(A) PENALTY AUTHORIZED.—The Sec-  
11 retary of the Treasury may impose a civil  
12 money penalty on any person who violates, or  
13 causes any violation of, any provision of section  
14 5314.

15 “(B) AMOUNT OF PENALTY.—

16 “(i) IN GENERAL.—Except as pro-  
17 vided in subparagraph (C), the amount of  
18 any civil penalty imposed under subpara-  
19 graph (A) shall not exceed \$5,000.

20 “(ii) REASONABLE CAUSE EXCEP-  
21 TION.—No penalty shall be imposed under  
22 subparagraph (A) with respect to any vio-  
23 lation if—

1 “(I) such violation was due to  
2 reasonable cause, and

3 “(II) the amount of the trans-  
4 action or the balance in the account  
5 at the time of the transaction was  
6 properly reported.

7 “(C) WILLFUL VIOLATIONS.—In the case  
8 of any person willfully violating, or willfully  
9 causing any violation of, any provision of sec-  
10 tion 5314—

11 “(i) the maximum penalty under sub-  
12 paragraph (B)(i) shall be increased to the  
13 greater of—

14 “(I) \$25,000, or

15 “(II) the amount (not exceeding  
16 \$100,000) determined under subpara-  
17 graph (D), and

18 “(ii) subparagraph (B)(ii) shall not  
19 apply.

20 “(D) AMOUNT.—The amount determined  
21 under this subparagraph is—

22 “(i) in the case of a violation involving  
23 a transaction, the amount of the trans-  
24 action, or

1                   “(ii) in the case of a violation involv-  
2                   ing a failure to report the existence of an  
3                   account or any identifying information re-  
4                   quired to be provided with respect to an  
5                   account, the balance in the account at the  
6                   time of the violation.”

7           (b) EFFECTIVE DATE.—The amendment made by  
8 this section shall apply to violations occurring after the  
9 date of the enactment of this Act.

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